

THE SECRETARY OF TRANSPORTATION

WASHINGTON, D.C. 20590

September 28, 1999

MEMORANDUM FOR HEADS OF OPERATING ADMINISTRATIONS

SECRETARIAL OFFICERS

FROM: THE SECRETARY

SUBJECT: ALTERNATIVE DISPUTE RESOLUTION

This Administration has given the highest priority to creating a Government that works better and costs less. To help achieve this objective, President Clinton has directed us to encourage consensual resolution of disputes and to avoid costly litigation and administrative processes. He has asked that each agency take steps to use alternative means of dispute resolution such as mediation, facilitation, arbitration, early neutral evaluation and agency ombudsmen. I know that we have already taken some action to respond to the President's mandate and I am pleased to announce the next steps in our efforts to meet the President's objective.

To assist us in our work, I am designating Judith Kaleta as the Department's Senior Counsel for Dispute Resolution and Dispute Resolution Specialist and I am establishing a Dispute Resolution Council. The Dispute Resolution Council, which Judy will chair, will examine how we are currently using alternative means of dispute resolution, in headquarters and the regions, and will identify future uses. The Council will explore the use of alternative dispute resolution techniques in connection with a variety of program areas including: workplace issues, formal and informal adjudication, rulemaking, enforcement, issuing and revoking licenses and permits, contract and grant administration, and litigation brought by or against the Department. As a first step, the Council will develop a Departmental policy on the use of alternative means of dispute resolution to share with our partners.

The President has challenged us to use alternative means of dispute resolution as a tool to make the Federal Government operate in a more efficient and effective manner. I ask you to join this effort in the following ways:

1. By **October 13, 1999**, designate a senior level employee to serve as your Deputy Dispute Resolution Specialist and represent you on the Dispute Resolution Council. This person must have a broad perspective of your programs and activities and be senior enough to ensure that this initiative is effectively implemented.
2. By **October 30, 1999** report on your activities Your report should include:
 - a. The program area and location.
 - b. The alternative means of dispute resolution used.
 - c. The number of times the means has been used.
 - d. The cost of ADR activities, including training.
 - e. The method for evaluating the effectiveness of the means.
 - f. The barriers to the use of alternative dispute resolution.
 - g. The measures taken to eliminate any barriers.
 - h. The kinds of disputes that arise in the program and whether ADR could be used to resolve those disputes.

Please provide this information to Judy Kaleta in Room 10428 of the Nassif Building. If you have any questions, please call her at 493-0992.